

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HILLVIEW SEWER)	
PLANT #3, INC. FOR APPROVAL TO)	
ACQUIRE OWNERSHIP OF HILLVIEW)	CASE NO. 94-025
SEWERAGE SYSTEM PLANT #3 AND A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO MAKE NECESSARY)	
REPAIRS)	

O R D E R

Hillview Sewer Plant #3, Inc. ("Hillview Sewer") has applied for Commission approval to acquire the assets of Hillview Sewerage System Plant #3, Inc. ("Hillview Sewerage"). Hillview Sewerage operates a sewage treatment facility which provides sewage service to 423 customers in the Hillview Subdivision of Bullitt County, Kentucky.

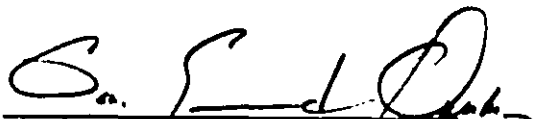
After considering the evidence of record and being otherwise sufficiently advised, the Commission finds that the application should be denied. Although Hillview Sewer has applied for Commission approval to purchase the assets of Hillview Sewerage, the record clearly shows that it is not the party who is acquiring Hillview Sewerage's assets. The purchase of assets agreement is between Hillview Sewerage and F & W Operations, Inc. Moreover, the agreement for financing the sale of assets lists F & W Operations, not Hillview Sewer, as the purchaser. The agreement further shows F & W Operations is using the purchased assets as collateral to secure financing for the purchase.

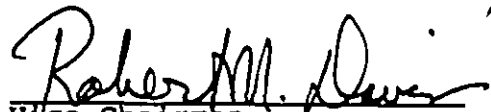
As Hillview Sewer is not the party acquiring the utility's assets from Hillview Sewerage, it is not the proper party to apply for Commission approval of the transfer of assets and its application should, therefore, be denied.

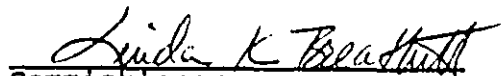
IT IS THEREFORE ORDERED that the application of Hillview Sewer Plant #3, Inc. to acquire the assets of Hillview Sewerage System Plant #3, Inc. is denied.

Done at Frankfort, Kentucky, this 16th day of June, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director